

13 September 1944

SPECIAL FUNDS RESEARCH

Miscellaneous Materials

Trails, Rails and War: The Life of General G. M. Dodge. ✓

By J. R. Perkins. Bobbs-Merrill: 1929.

This book is a biography of the man who was, amongst other things, the Head of the Union Secret Service for Grant and Sherman in the Civil War. The following excerpt from the book is of interest on the question of post-war disclosure of the names and activities of secret agents (p. 105):

"General Dodge built up a secret service organization for General Grant composed of one hundred men. Their names were carefully guarded and very little was ever revealed about any of them. Long after the war he kept inviolate both their names and their deeds, for some of them lived in the South and publicity concerning their exploits, even a quarter of a century afterward, would have brought approbrium, if not persecution. Even as late as 1909, when several magazine writers sought to secure information concerning them he was reluctant to comply, although most of them were in their graves."

The book also narrates some difficulties Dodge experienced in financing the operations of his secret agents. At one

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time he came under fire for his refusal to reveal to officers the names of the agents to whom he had advanced certain money (p. 113).

The book describes (p. 118) Dodge's method of giving each of his spies \$5,000 or \$10,000 in Confederate or State Bank money when they were starting on a long trip. The book does not clearly explain the source of these funds, but it is apparent that Dodge was driven to various subterfuges to obtain necessary funds. The book narrates that at one point he was financing his agents from the proceeds of sale of certain seized Confederate cotton which had been disposed of at public auction. Other Army officers violently objected to Dodge's use of this money, but Grant sided with Dodge, who obtained about \$20,000 to use in this matter. When Dodge wrote to Grant, seeking to enlist his aid in the matter of keeping payments secret, Grant replied that vouchers certified by Dodge to the effect that the money was expended for the payment of men in the secret service would be sufficient. Grant added the word of caution that Dodge should get receipts from his agents, wherever prudent, to protect himself.

On the question of post-war audits of intelligence expenditures, the following excerpt from the book is of interest:

"Three years after the close of the war the auditors of the War Department discovered that Dodge had spent money during the war

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for spies for the armies of Grant and Sherman, and preemtorily ordered him to make an accounting of the exact sum. General Dodge referred the auditors to the reports of Grant's provost marshal at Corinth and the War Department replied nineteen years later to this effect:

'Your secret service accounts for the years 1863 to 1865, amounting to \$17,099.95, have been examined and adjusted, and are now closed on the books of this office.'

Regulations for Intelligence Duties in the Field

(G. B. War Office, 1904)

This small pamphlet sets forth the rules to be followed by intelligence officers attached to the British Army. The largest single section of the pamphlet is taken up with financial instructions and sets up accounting channels for all officers and employees receiving intelligence funds. The ultimate accounting is required by the pamphlet to be made to the D.M.I. (the senior officer of the general staff attending to intelligence duties). The regulations provide for accountants who account directly to the D.M.I. and sub-accountants who account to the accountants. Detailed rules are given for the form and manner of accounting, and forms are provided; generally speaking, however, there is no provision for unvouchered funds, with the exception of the following (p. 27, section 79):

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"Officers must use great discretion in the preparation and forwarding of reports on secret service expenditures. It is desirable that such reports should be in the form of accounts, and that, in cases where payments are made to persons who cannot be compromised, receipts should be obtained. But the risk of imperilling the safety or reputation of an agent or employee by recording anything by which his service might be traced must be carefully avoided. It may even be necessary to limit the report to the simple certificate that such sums have been properly expended on secret service, leaving all details for personal communication or a verbal message.

"For example, expenditure on the purchase of supplies, stores, or a horse for a secret service agent should be vouched, while the payment of a large sum to a soldier of the enemy should be unrecorded.

"In case of an officer incurring a large secret service expenditure on which any account would be indiscreet, he should inform another officer engaged on intelligence duties, or if there is none available, the general officer on whose staff